

Department of Natural Resources

OLYMPIA, WASHINGTON 98504 BRIAN BOYLE
Commissioner of Public Lands

May 20, 1985

Service Fuel Company, Inc. P.O. Box 887 Bremerton, WA 98310

Dear Lessee:

Your lease #22-002452 has provisions that make it subject to SSHB No. 1231, which went into effect on October 1, 1984. The intent of this legislation is to foster water dependent and historic water oriented uses by creating a uniform formula for establishing rent. It also provides that the annual rent will be adjusted each year according to the change in the Producer Price Index. We've enclosed a copy of Section 7 and Section 9 of that law along with WAC Section 332-30-123 of the implementing regulations, which explain the procedures.

Your annual formula rent is \$585.00. This amount is a significant change from your previous annual rent of \$359.92 and requires a three year phase-in. This results in a first year rent of \$434.00. Your bill is enclosed. At the end of three years a new annual rent will be established.

Initial Phased-In Annual Rent \$434.00

Leasehold Tax

+ \$ 55.73

Total Now Due

\$489.73

Please pay by June 19, 1985. Make checks payable to Department of Natural Resources. Please put your lease number on the check and send it, together with a copy of the attached bill, to: Department of Natural Resources, QW-21, Olympia, Washington 98504. All amounts 30 days past due will be charged a 1% monthly penalty fee.

Thank you for your cooperation. If you have any questions concerning your lease, please contact me at (206) 754-1819.

Sincerely,

Terry Roswall

Division of Marine Land Management

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Enclosure

c: File #22-002452 Inv #089118

Equal Opportunity/Affirmative Action Employer